

of California we do not pretend to say. In his communication to Mr. Waldo Wernicke, of Los Angeles, he seems to be very fair and is seeking to act impartially. He has indeed prohibited lectures treating of other subjects on the same ground. But we desire to point out to Mr. Wood that if his decision is a sound one he must close the schools of California to the teachings of Adam Smith and John Stuart Mill as well as to those of Henry George.

Political Economy is partisan to the degree that men must divide into the partisans of privilege and partisans opposed to privilege. These questions will always be partisan—in that sense. But we fear Mr. Wood must relegate much that is of value to civilization in literature, in economics, and in religious teachings. The Bible will have to go along with the rest.

SAID Congressman Fess: "The government must do its part in removing the handicap on production." Well that ought to be easy. These handicaps exist everywhere in taxes laid upon industry. Then there is the tribute exacted of industry by the rent lords. This is the chief handicap. If government is seriously desirous of freeing industry there is one simple way to do it—transfer taxes from production to the rent of land. Is Congressman Fess prepared to suit the action to the thought?

THE Cleveland, Ohio, Community Fund is an organization which maintains out of private contributions a number of charitable organizations in that city. The school teachers of the city are supplied with lessons aimed to instruct the pupils in the purpose of this Community Fund. The parents of Cleveland should protest against this use of the public schools. The children are sent to school to be educated, and for this the parents are paying. To make the schools an instrument for the extraction of pennies from the children for the maintainance of charitable institutions is a monstrous perversion of the real office of the public school.

The newspaper account of this enterprise says: "The lessons point out that in this way the Community Fund brings about the betterment of our city by removing or alleviating the causes of poverty." Of course, it does no such thing. The institution that produces poverty in Cleveland is not touched upon. We note among those who are to discuss the plan at a meeting of the executives the name of Newton D. Baker. Let us see—was not Mr. Baker at one time a Single Taxer, friend and coadjutor of Tom L. Johnson, and professedly an advocate of the only remedy that will effectually remove the cause of poverty? And the name "Community Fund." Should not this phrase occur to Mr. Baker as a reminder of the creed he once professed? For the only real Community Fund, because made by the community, and therefore belonging to the community, is the rent of land. Mr. Baker heard that from Tom Johnson ever so many years ago. He has never formally renounced it.

EDNA K. WOOLEY, who conducts a column in the *Cleveland News*, advances the theory that only those who pay taxes should have the right to vote. She heads her article, "No tax receipt, no vote." This would be an admirable suggestion if those who held tax receipts actually paid the taxes, and if those who held no tax receipts paid none. But, Miss Wooley, don't you know? Have you been writing for the papers so long and yet failed to learn some of the most simple truths about taxation?

Penalizing the Poor

PERHAPS, if politicians confined themselves to speaking on subjects about which they are informed, the oratory output of the United States would be sensibly diminished, but that would be a diminution of production which the country could bear with patience. Some of the worst offenders are cabinet officers who, elevated from obscurity to eminence by some whim of their chief, blossom forth in all the panoply of omniscience and feel divinely inspired to instruct all sorts of gatherings on all sorts of subjects.

Recently a cabinet officer, we think it was the Postmaster-General, talked to a dinner of New York merchants on the Federal Tax Bill, now laboring its stormy way through the shoals and quicksands of Congress. He came out in favor of a sales tax on the new and original ground that it was a just punishment to mete out to people who spent all their incomes instead of putting some of it by for use as capital. Not since the French princess perpetrated (if she did) the awful blunder of asking why the people did not eat cake when they could not get bread, has anything more indicative of fundamental economic asininity been uttered. At a time when the census figures show that the *average* family earnings are so low, that at present prices, they are not enough to support the average family in decency, this cabinet officer would penalize those who do not save by making their cost of living more expensive. Does the gentleman think that we are going to lessen unemployment by practising thrift?

We hold no brief for the income tax. Time and again have we pointed out how its operation leads to perjury, evasion and fraud, and to the extent that it falls on earned incomes discourages enterprise and industry. But compared with the proposed sales tax it comes near being ideal. Yet it seems to President Harding's entourage the only means of relieving good campaign contributors from burdens which seem onerous. We wonder that the great journals now so valiantly upholding the cause of peace do not point out how strongly conducive to peace those heavy income taxes are. The people who have the most money exert the greatest influence on the public mind; if they find that wars, instead of being sources of gain, are causes of loss, they will throw their influence against militarism, rather than in favor of it as they have done in most recent wars.

We have indicated in another part of this issue where the taxes can be found which will permit the reduction of

income taxes without taxing the poor man's dinner pail and the poor woman's market basket. Let the rich, suffering from excessive imposts on incomes, help Representative Keller's revenue bills and they will at once save themselves and benefit their country.

The country should be grateful to the so-called agricultural block in Congress, which has stood across the path of those who would compel the poor of the country to pay the cost of a war, which, whatever its other consequences, has further concentrated wealth, and enriched holders of special privileges and raised the greatest crop of war millionaires that the world has ever seen. The nation needs, in high places, to tide over the coming years, genuine tax experts and not taxidermists, whose sole qualification for their posts is their experience in skinning the poor.

Tax Reform in Congress

TWO very significant speeches dealing with federal taxation were made during the present Congress—one by the Honorable Oscar E. Keller, of Minnesota, on "Taking the Taxes Off Industry," and the other by the Honorable Florian Lampert, of Wisconsin, on "Reducing the Farmers' Taxes." They are admirable compendiums of the utilitarian arguments for the taxation of land values as a substitute for the taxes which now press so heavily upon industry and enterprise. As copies of these speeches can be had by merely addressing either of the gentlemen named, readers of the REVIEW could not do better propaganda work than by sending Congressmen Keller and Lampert the names of such persons as they may wish to receive copies of these speeches. They are very carefully prepared, well supported by statistics, and cannot fail to influence anyone who reads them with an open mind. It is worth noting that Representative Lampert is a member of the Republican party, while Congressman Keller, elected to the 66th Congress as an Independent, was re-elected to the 77th Congress as a Republican. These facts tend to confirm the impression which many people have long entertained that on the question of taxation we are as likely to find support on one side of the House as the other. We feel justified in urging our readers to write to the representatives of the districts in which they reside to support the following bills: H. R. 6767; H. R. 6768; H. R. 6769; H. R. 6773.

A Helpful Foe

RECENTLY a Farm Mortgage Bankers Convention was held somewhere in the United States. This much we know from the remarks of a Canadian delegate. *The United States Investor*, which published the proceedings, does not state its whereabouts. Its habitat is unimportant. Its soul goes marching on—or rather its pocketbook. The pages are adorned by portraits of the officers and speakers of the convention. The composite effect of their countenances is one of benevolent canniness.

They invited our old friend, whose departure into what

seemed oblivion we had long mourned, Leslie M. Shaw, once Secretary of the Treasury under Roosevelt, to speak on "Sane Taxation vs. the Single Tax." From this circumstance we may infer that what they were seeking was not information but vituperation. They got it, and liked it so well that they gave him another chance to unveil his mind at the closing banquet. Economically it was an indecent exposure. Every movement for social betterment which had thrust itself on a somewhat impervious mind was made the subject of ridicule. England, he declared had nearly put herself "out of the running by giving labor everything it asked for during the war," but "what did Germany do? Stood them up in line and shot them." Hence "Germany occupied the most favorable position in Europe today because without any nonsense they have gone to work 12 to 14 hours a day. Wages? No matter about wages" and so on, world without end. Even the so-called "Welfare Department" of the Federal Government, pledged by his own party, came in for the bitter denunciation of the Iowa Thersites. And this man was twice Governor of Iowa and was appointed by Roosevelt, Secretary of the Treasury of the United States!

Surely the Single Tax could hope for no better fate than denunciation and ridicule from such lips. If causes are ever loved for the enemies they make, the Single Tax deserves a large measure of such affection.

It seems hardly worth while to deal at length with the arguments of such a man against the Single Tax theory. He showed his inability to understand the difference between selling value and real land value, seeming to believe that the taxation of land values would destroy land value, instead of merely eliminating selling value. From this contention he proceeded to the "reductio ad absurdum" that if Single Tax exempted all improvements and wealth from taxation, and at the same time annihilated land value, there could be no revenue at all and hence anarchy and chaos would ensue. He warned his credulous auditors that, under such a policy, sixty billions of land values on which they (his hearers) had lent ten billions of dollars would vanish into thin air and then, what would the mortgage holders do? And more in this strain. . . .

So much for insane taxation known as Single Tax, sincere, but brainless and mistaken! With what a relief he turned to sing anthems to that eminent example of sane taxation—the tariff. Study this gem which though divorced from its context fairly represents his views. "I do not care half as much what the farmer pays for his coat as I do that the farmer shall grow the wool and the cotton and feed the men that make the coat. That is the issue. That is *sane taxation*." The sanest taxation of all according to Leslie is the sales tax. After this statement the word "applause" appears in parenthesis. "A sales tax in my judgment is the sanest tax, because it is the most equitable, the simplest, the easiest collected, and in addition will yield the most revenue."

Perhaps we owe our readers an apology for inflicting all